

State of Alaska FY2005 Governor's Operating Budget

Department of Health and Social Services Administrative Support Services Component Budget Summary

Contents

<i>Component: Administrative Support Services</i>	3
Component Financial Summary.....	6
Summary of Component Budget Changes.....	7
Personal Services Information.....	9

Component: Administrative Support Services

Contribution to Department's Mission

To provide quality administrative services that support the department's programs.

Core Services

The finance staff of the Administrative Support Services component provides department employees with current guidelines to comply with State and Federal financial and reporting requirements. The fiscal staff provides timely and accurate vendor payments. The revenue staff maximizes Federal claims of approximately \$800 million of appropriated federal funds, maintains adequate cash management and transmits federal reports on schedule. The procurement staff provides a full range of purchasing services: processing contracts, managing leases and commodity purchases. The Budget Section coordinates development of the operating budget including processing revised programs, fiscal notes and legislative requests. The Grants Section coordinates all department-wide grant activity.

FY2005 Resources Allocated to Achieve Results

FY2005 Component Budget: \$5,817,000

Personnel:

Full time	76
Part time	0
Total	76

Key Component Challenges

The Department of Health and Social Services is continuing a significant internal restructuring. Integration is guided by the following principles:

- Health and social services are being integrated and streamlined in a manner that makes sense to the people the department serves;
- Finances are being reorganized so that the department can restructure Medicaid funding, maximize federal funds and ensure that funds are invested to get the best services for Alaskans; and
- A structure is being put in place to better empower managers to find ways to continue to deliver quality services in an era of fiscal discipline.

Continuing Issues:

- DHSS is challenged to afford the new IT EPR rate and is currently \$1 million short in being able to pay the present chargeback rate.
- Finance staff will work for the adoption of a new department cost allocation plan based on DHSS new structure.
- Fiscal staff will work to reduce payment backlogs and improve training for field staff to eliminate errors.
- Budget staff are instrumental in assisting development of refinancing proposals to reduce reliance on general funds (GF).
- The Facility Section has been challenged by absorbing work related to maintenance of the Pioneer Homes.
- January 1, 2004 is the target date for internal consolidation of grants and contracts to increase services to DHSS program managers and grantees.
- The DHSS IT plan outlines a road map for integration and efficient use of IT services.
- The Division of Administrative Services developed and implemented a customer survey which will establish a baseline to measure good internal customer services.
- While HR functions have been integrated into the Department of Administration, residual responsibilities and

liaison work remains within DHSS.

Significant Changes in Results to be Delivered in FY2005

The Administrative Services Division is integrating the Grants and Professional Service Contract Administration into one section for the department. This integration will improve customer service for grantees and vendors; promote uniformity and consistency; consolidate administrative expertise into one place; eliminate redundant work and review process; and reduce the hours program staff devote to administration so that work can be refocused on tasks related to their areas of expertise.

Travel costs will be reduced and more efficient use of video and teleconferencing will be in place.

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Major Component Accomplishments in 2003

Budget Section:

- In coordination with other DAS sections, implemented necessary steps for transitioning into new department organization on July 1, 2003.
- Increased efficiencies in processing Reimbursable Services Agreements (RSAs) by taking over Add/Change RS processing function.
- Developed monthly expenditure/revenue reporting.
- Implemented \$1.6 billion department operating budget.
- Tracked and responded to over 130 legislative budget inquiries.
- Participated in Information Technology consolidation efforts.

Finance Section:

- Implemented new payment system for the one card program (autopay) for all of DHSS.
- Submitted new Public Assistance Cost Allocation Plan for the DHSS, currently in negotiations with the Federal Division of Cost Allocation for approval.
- Implemented a new AKSAS Chart of Accounts for the reorganized DHSS.
- Issued Federal Schedule in a timely manner.
- Issued Quarterly Federal Reports in a timely manner.
- In coordination with nine DHSS division administrative managers, processed all budget restrictions and revenue deferrals in an accurate and timely manner.
- Kept up with large volumes of DHSS billings throughout the year.

Information Systems:

- Supported the Department's IT infrastructure.
- Administered the Local Area Networks and the central cabling plant switches.
- Webmaster continued support for the intranet portal and structure changes.
- HIPAA Data Manager is assessing the department's needs to assist divisions to comply with the new Federal Health Insurance Portability & Accountability Act and providing training.
- Coordinated the IT infrastructure changes for the department during the reorganization.

Procurement:

- 100% successful in six protests received regarding professional service contracts that were awarded in FY2003.
- Transferred all property resultant from DHSS reorganization.
- Updated all purchasing delegation for DHSS to reflect department reorganization.

Grants Administration:

- Completed the Health and Social Services FY2003 Operating Grants Database and Booklet.
- Provided training for Grant Proposal Evaluation Committees and Continuation Grant Recommendations.
- New Grant Regulations were adopted for DHSS.

- Maintained the centralized collection and data base tracking for Grantee Organizational Documents, accessible online.
- Coordinated public notification of the availability of grants initiating notification to on-line registrants with links to the State's Online Public Notice site.
- Administered multi-component/program Rural Designated BRU Grants.

Statutory and Regulatory Authority

AS 37.05 Public Finance, Fiscal Procedures Act
AS 37.07 Public Finance, Executive Budget Act
AS 37.10 Public Finance, Public Funds
AS 36.30 Public Contracts, State Procurement Code

Contact Information

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Administrative Support Services Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,232.7	3,728.9	4,777.4
72000 Travel	40.2	31.3	22.5
73000 Contractual	727.2	653.5	930.0
74000 Supplies	128.0	46.1	46.1
75000 Equipment	62.2	41.0	41.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	127.7	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	4,318.0	4,500.8	5,817.0
Funding Sources:			
1002 Federal Receipts	1,375.4	1,759.0	2,818.1
1003 General Fund Match	572.8	580.5	932.6
1004 General Fund Receipts	1,494.4	929.8	894.8
1007 Inter-Agency Receipts	612.1	1,016.8	1,023.2
1037 General Fund / Mental Health	69.2	70.1	96.8
1061 Capital Improvement Project Receipts	194.1	144.6	51.5
Funding Totals	4,318.0	4,500.8	5,817.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Unrestricted Revenues				
General Fund Match	68510	572.8	580.5	932.6
Unrestricted Fund	68515	1,494.4	929.8	894.8
General Fund Mental Health	68520	69.2	70.1	96.8
Unrestricted Total		2,136.4	1,580.4	1,924.2
Restricted Revenues				
Federal Receipts	51010	1,375.4	1,759.0	2,818.1
Interagency Receipts	51015	612.1	1,016.8	1,023.2
Capital Improvement Project Receipts	51200	194.1	144.6	51.5
Restricted Total		2,181.6	2,920.4	3,892.8
Total Estimated Revenues		4,318.0	4,500.8	5,817.0

Summary of Component Budget Changes From FY2004 Authorized to FY2005 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	1,580.4	1,759.0	1,161.4	4,500.8
Adjustments which will continue current level of service:				
-Transfer for grants and contracts consolidation from PH Admin	30.0	45.1	0.0	75.1
-Transfer for grants and contracts consolidation from FAS	0.0	78.7	0.0	78.7
-Transfer for grants and contracts consolidation from Work Svcs	61.0	0.0	0.0	61.0
-Transfer for grants and contracts consolidation from SDS Admin	59.8	13.6	52.0	125.4
-Transfer for grants and contracts consolidation from PA Admin	36.2	42.4	0.0	78.6
-Transfer for grants and contracts consolidation from SDS Prot, Comm Svcs & Admin	20.1	60.3	0.0	80.4
-Transfer for grants and contracts consolidation from Prob Svcs	55.1	0.0	0.0	55.1
-Transfer for grants and contracts consolidation from Nursing	25.9	0.0	17.3	43.2
-Transfer for grants and contracts consolidation from MA Admin	119.6	68.5	0.0	188.1
-Transfer for grants and contracts consolidation from Hlth Purchasing Grp	18.5	55.6	0.0	74.1
-Transfer for Grants and Contracts consolidation from Children's Svcs Mgt	31.5	167.9	22.6	222.0
-Transfer for grants and contracts consolidation from Child Care Benefits	60.6	73.1	0.0	133.7
-Transfer for grants and contract consolidation from CHEMS	154.0	14.8	0.0	168.8
-Transfer for grants and contracts consolidation from BH Admin	29.9	74.8	44.9	149.6
-Transfer for Grants and Contracts consolidation from Public Assistance Field Svcs	159.3	0.0	0.0	159.3
-Transfer in Funding for Micro Tech Position from Probation Svcs	59.1	0.0	0.0	59.1
-Transfer in CIP Receipts to Admin Support	0.0	0.0	3.9	3.9
-DSS Transfer for HR Integration	40.9	10.7	0.0	51.6
-Transfer out for IT Consolidation from Admin Support Svc.	-361.0	-231.2	-394.2	-986.4
-Implement New Cost Allocation Plan	-250.0	250.0	0.0	0.0
-Changes to Retirement and Other Personal Services Rates	55.1	45.8	39.0	139.9
-Transfer from Audit for support costs ADN 0640052	11.7	11.7	0.0	23.4

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
Proposed budget decreases:				
-Department-wide travel reduction	-4.5	-2.7	-1.6	-8.8
-Consolidate Grants Administration	-69.0	0.0	0.0	-69.0
Proposed budget increases:				
-Core Services Increases	0.0	150.0	0.0	150.0
-Services for Department's Divisions	0.0	130.0	129.4	259.4
FY2005 Governor	1,924.2	2,818.1	1,074.7	5,817.0

Administrative Support Services Personal Services Information

Authorized Positions			Personal Services Costs	
	<u>FY2004</u> <u>Authorized</u>	<u>FY2005</u> <u>Governor</u>		
Full-time	60	76	Annual Salaries	3,455,077
Part-time	0	0	Premium Pay	0
Nonpermanent	1	0	Annual Benefits	1,573,802
			<i>Less 5.00% Vacancy Factor</i>	<i>(251,444)</i>
			Lump Sum Premium Pay	0
Totals	61	76	Total Personal Services	4,777,435

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	0	0	4	0	4
Accountant IV	0	0	3	0	3
Accountant V	0	0	1	0	1
Accounting Clerk I	1	0	0	0	1
Accounting Clerk II	2	0	6	0	8
Accounting Spvr II	1	0	1	0	2
Accounting Tech I	2	0	4	0	6
Accounting Tech II	0	0	4	0	4
Accounting Tech III	0	0	1	0	1
Administrative Assistant	0	0	2	0	2
Administrative Clerk II	0	0	5	0	5
Administrative Manager IV	0	0	1	0	1
Division Director	0	0	1	0	1
Grants Administrator I	0	0	3	0	3
Grants Administrator II	0	0	10	0	10
Grants Administrator III	0	0	5	0	5
Mail Svcs Courier	1	0	0	0	1
Procurement Spec I	2	0	1	0	3
Procurement Spec II	1	0	1	0	2
Procurement Spec III	0	0	1	0	1
Professional Services Mgr. I	0	0	1	0	1
Professional Svc Mgr I	0	0	1	0	1
Professional Svc Mgr II	0	0	1	0	1
Program Budget Analyst II	0	0	1	0	1
Program Budget Analyst III	0	0	3	0	3
Program Budget Analyst IV	0	0	2	0	2
Program Budget Manager	0	0	1	0	1
Project Manager	0	0	1	0	1
Supply Technician I	0	0	1	0	1
Totals	10	0	66	0	76